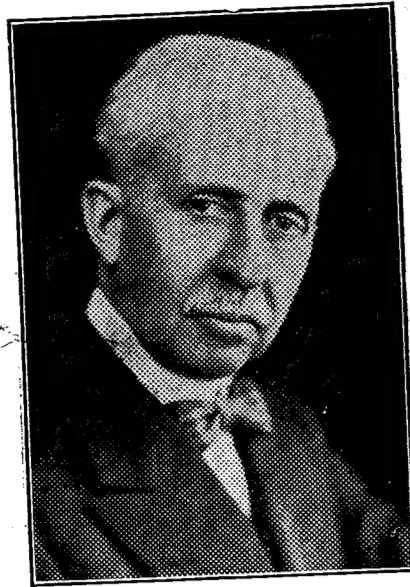


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*An Address*

"A Brief Outline of My  
Early History"

*by*



MR. J. C. PENNEY

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To  
Our Boys and Girls  
Who will be Men and Women Tomorrow,  
To whom the Home, the Church and the State  
Will look for Leadership, tried and true, in the  
Solution of many vexing problems which we  
Must needs pass on to them for a  
Final Solution,  
WE LOVINGLY AND HOPEFULLY DEDICATE  
This Inspiring Story of  
The Early Struggles and Triumphs of  
Mr. J. C. Penney,  
With the earnest hope that all who read it will  
Be inspired to the same Lofty Ideals  
Which guided him to Success.

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## INTRODUCTION

The men of the First Baptist Church will never be the same since they heard Mr. J. C. Penney give, in his own quiet and modest way, "A Brief Outline of My Early History." One of our most consecrated and useful men said, "Mr. Penney's address tonight makes me wish I was a young man again so I could start all over. If I could have heard such an address as this when I was twenty years old, I would have been a better and a more useful Christian."

This is a time when moral standards are being lowered, if not entirely destroyed. Many doubt whether "Honesty is the best policy." Many a young man, facing out into the cold world of business, believes that he must throw into the discard the fundamental principles of honesty, fair-dealing and sobriety if he is to succeed. Mr. Penney's experience and advice refute that idea.

There is another erroneous idea that is all too prevalent among men of "big business," namely, that so much business makes it impossible for such men to devote any time to "the King's business." Of course Mr. Penney has a great organization and many helpers who share with him the responsibility of the operation of nearly 1500 stores; but there are upon his shoulders many responsibilities that cannot be delegated to others. Still he finds time to serve in a personal way. If a man has so much business to look after that he cannot attend to the Lord's business, then that man has more business than the Lord wants him to have.

In sending out this testimony of a successful business man and Christian layman, it is the prayer of the pastor, deacons and entire membership of the First Baptist Church that it will be used of the Lord to show many the road to genuine success.

L. T. HASTINGS, Pastor.

Monroe, La.

## A BRIEF OUTLINE OF MY EARLY HISTORY

By J. C. Penney

Friends:

I have been requested to talk to you today about my early life. Much as I dislike to talk about myself, I am willing to set aside personal feeling if by so doing I can lend a word of encouragement to struggling youth. For no boy ever worried more about his future or ever left his home town with less bright prospects than did I.

If I could get a message over to the youth of this country it would be that it does not take genius to succeed in life. Any young man of ordinary intelligence, who is morally sound, open and above board in his dealings, not afraid of work, and who will play the game fairly and squarely, and keep everlastingly at it, should succeed in spite of obstacles and handicaps. It is not the poor boys to whom my heart goes out but, rather, to sons of rich men.

In writing a man's biography the author frequently commences something like this: "Born of poor and humble parentage." I can testify that my parents were poor. My father was an old school Baptist minister who preached the better part of his life-time, for which service he received not one penny of remuneration. He was a farmer and farming was his means of gaining a livelihood. Though my parents had little money I never remember of going to bed hungry for want of food, nor cold for want of fuel; neither do I recollect that it was ever necessary for our table to be replenished from the larders of our neighbors.

I can testify, too, that my parents were of humble position from a worldly standpoint. Though I was brought up very strictly I have always been thankful that my parents were Christian. Early I learned to obey, to honor and respect my parents, and to work.

At eight years of age my father decreed that from thenceforth I must buy my own clothes;—not altogether from necessity, I presume, but because he wished to teach me the value of money. Though many times I thought that my father was hard upon

me, I have since thanked God for his strict but wise and kindly training.

Father's edict caught me with only one pair of shoes, and they had holes in the soles. I had no money to buy new shoes; so I asked him if he would not buy me a pair of shoes before I took over the responsibility of providing my own clothes. Rather sternly he replied, "No, I told you that from now on you were to buy your own clothing." I do not recall how I earned the money, but I do remember the shoes I bought. They were brogans, with buckles. They also had eyelets. Being sensitive, I took off the buckles and used laces, but the shoes were so heavy one could hear me coming a long distance away.

Naturally I was unable to buy many store clothes, but my mother made most of my clothes out of my father's old suits. They did not always fit as well as "boughten" clothes (as we called them in those days), so that I was the object of more or less ridicule by other children. I have always thought that developed in me a negative complex, for it was a long time before I overcame being backward about meeting people.

The first \$2.50 I could spare after buying my shoes was invested in a pig. By this time my parents had moved in from our farm to the little town of Hamilton, Missouri, a few miles away, in order that the older children might have the benefit of a high school education. It was in Hamilton that I lived and grew to manhood. My pig was grown out by carrying slop from the neighbors. Father allowed me to go out to the farm and follow the cornhuskers in harvesting time. The corn that was overlooked by them I gathered and fed to my pig. This pig grew, became a real pet, and how I did hate to part with it. Finally, however, I sold the pig, and with a part of the proceeds invested in small pigs, repeating the process until I got together a drove of twelve. If you have had any acquaintance with pigs you can imagine what a noise twelve pigs made at feeding time and what the odor from a pen of pigs was in summer. So one day I was called into conference with my father. "Jim," said he, "I thought I would let you go ahead and see just how far you would go with your pigs, but the neighbors are protesting and I want you to sell them." For father, in addition to being a thoroughly good man, was a good neighbor and considerate of the rights of others.

"But, father," I argued, "they are not ready for market, and besides, hogs are only three cents a

pound." Early I discovered, however, that when my father said a thing he meant it, so I had to dispose of the pigs at a sacrifice price.

Then I went into the horse business on a small scale, thinking that I could trade horses and get a little "boot" each time. But I soon found out that I was not a horse trader.

All this time I was going to school, but I am afraid I was thinking more about making money than about acquiring an education.

I graduated from High School when seventeen years of age. The following two years were spent on the farm, but I soon learned that I was not cut out for a farmer. I had aspirations to be a lawyer, though I do not know why, for I was not at all studious while in school. Furthermore I knew that my parents could not afford to send me to college.

My father must have had an idea I was cut out for a trader, for it was he who selected my vocation for me, and secured my first job. Father went to the leading merchant of the town and said, "Mr. Hale, I want you to take my boy, Jim, and teach him the business." "But, Mr. Penney," replied Mr. Hale, "this is a dull time of year. I really don't need any more help; however, if Jimmy wants to come in here and work for \$25.00 for the rest of the year, send him along." (That was the latter part of January.) \$2.27 a month—think of it!

I commenced work on the fourth day of February, 1895. At first I was very happy for I felt that I had found the thing I wanted to do. Father passed on six weeks afterward. The day before he died, evidently realizing that he would not recover from his illness, he was going over his affairs in his mind, evidently worrying about leaving his estate heavily in debt and perhaps wondering what would become of the smaller children. Commencing with the eldest he said, "Mittie has her farm;" then "Elie has his farm." I was next of age. Said father, "Jim will make it. I like the way he has started out."

If only I could make you understand what those words have meant to me all my life. Many times, when I have stood at cross roads of doubt or despair, my father's words have rung in my ears as clearly as any clarion note I have ever heard. "Jim will make it. I like the way he has started out." Those words have proved a great benediction, a more priceless heritage than any money my father could have left me. For cross roads a plenty there have been in my

life—times when I needed all the inspiration that my father's faith in me could give.

My first crucial experience came soon after my father's death. In Mr. Hale's store were two salesmen, the equal of any salesmen I have ever seen throughout my life. They had their own customers to whom they made special prices (for that was before it was the custom to make fixed prices to one and all). This made it difficult for me to sell even to my friends, for they could go to these other salesmen and get a better price than I could make. These men delighted in teasing me about the clothes I wore, the wages I was getting, and anything else that occurred to them as a subject for ridicule. When I had a customer one or the other would come and take him away from me on the pretense, "I am afraid you will miss the sale." I became much discouraged. I shrank into myself and kept away from them, for I was very sensitive to their gibes. However, I did not loaf on the job; I busied myself with arranging stock and took great pride in keeping it in good shape. But I was not happy; I was getting nowhere, either financially or otherwise.

One day something happened within me. To this day I cannot account for it. If I were in that store now I could go directly to the spot where this change took place. Unbidden, the spirit of self-assertion flamed within me. "Jim Penney," said this new spirit, "you are making a fool of yourself; you are getting nowhere. The end of the year will roll around. Mr. Hale will say, 'Jimmy, I can pay you but little more; your sales don't show up very well; I'll give you \$50 for the year if you want to sign up to run errands and do chores.'"

That was not at all what I wanted to do. Then and there I resolved that from henceforth I was going to assert myself and that neither the salesmen nor anyone else could hold me back.

That was the turning point of my early life for I carried out my resolve. I stood my ground firmly, would not allow the salesmen to take away my customers and exerted every effort to make sales. By the end of that year I was third in sales.

You see, for a time I had forgotten my father's words, "Jim will make it. I like the way he has started out." I had been standing at the crossroads—one sign pointed to a paved road, easy to travel—the way of least resistance; the other sign read, "Road under construction—dangerous, but passable—proceed at your own risk." Fortunately I awakened in time

to choose the latter road. I have never regretted my decision.

About this time a member of Hale and Company died, and a sale was put on in order to settle up the partnership. Two men were hired who drew twice as much salary in a month as I was getting for the entire eleven months. But that did not disturb me, for I had made up my mind that I was going through with this job, and go through I did.

I have often wondered what the story of my life would have been had I not found myself when I did in the rear of that little Hamilton store. I might today be working for a meagre salary, or perhaps not be employed at all.

The end of the first year I entered into a contract to work the next year for \$200 and the year following for \$300. Shortly afterward my health broke and I was ordered West, with the advice of the family doctor never to work in a store again. Before leaving home I asked the prominent business and professional men of the town for letters of reference.

After a few weeks' rest in the western city to which I had gone, I began to get restless and decided to look for work. But the store business was all I knew, and I was not strong enough to do manual labor. So I applied at the largest department store for employment. I asked to see the manager, but was told that he did not hire the help. However, I was determined to see him—and I did. I handed him my letters of reference. The manager replied, "I haven't time to read them, and they don't mean anything anyway. Those people don't know anything about your ability and you couldn't steal in this store if you wanted to." I was completely taken aback. I thought, "Is this really what I am up against? Can it be that a young man's character and reputation count for nothing in the business world? I said to myself, 'No, I don't believe it.'"

Since I could not get work with this store I went to the second largest store, having a similar experience in reaching the manager. But I finally succeeded and I landed a job. This time the manager read my letters and he said, "Young man, those are fine letters, as fine as I have ever read concerning any young man."

The trouble with that job was that it paid scarcely anything—a mere pittance—just enough to keep body and soul together. I would not have minded that had there been a future. But in looking around the store I saw gray haired men who had made little or

no progress in a period of many years. I said, "This is no place for me; I do not intend to work for a salary all my life." So I gave up the job. And soon afterward I was at my second crossroads.

I heard of a butcher shop that was for sale in Longmont, Colorado. While going to school and in my first job I had saved \$300 which I had left at home when I went West. I sent to my mother for this money and bought the shop. The meat cutter I employed said, "If you want to keep the hotel trade you will have to buy the chef a bottle of whiskey each week." At the time I accepted this statement and did not think much about it. The first week I bought a bottle of whiskey for the cook. But after I had done so, the most peculiar feeling came over me. I asked myself, "Were he living what would my father say?" Very well I knew the answer. I determined then and there that as long as I lived never again would I buy a bottle, or a drink of whiskey, for any man, and I have kept my word. Again my father's influence carried me past the crossroads in the right direction.

Of course I lost the hotel trade—and that meant the loss of my butcher business and of the \$300 I had saved so painfully, penny by penny, but I have always been thankful. Had I been a successful butcher our J. C. Penney Company would not have been founded. It is my belief that right living pays in material values as well as in satisfaction of conscience.

My next experience brought me into contact with the man who later on gave me my great opportunity in life. After closing the butcher business I went into the leading dry goods store in the town of Longmont and applied to the proprietor for a job. He put me on as an extra during the holiday season—and how I did work! I knew that Mr. Callahan had several stores and that if he could not use me in one he could in another if I made good; so I put forth every effort to make myself useful to him. I was the first one at the store in the morning and the last one to leave at night. No hour for lunch for me—I hurried back as quickly as I could after eating. I worked as though it were MY store, and put into practice the things I had learned in the little store in Hamilton. The holidays were over, but Mr. Callahan still kept me.

The following spring he sent me to work in his store at Evanston, Wyoming, under Mr. Guy Johnson, at a salary of \$50 a month. That was in 1899. The first day I went to lunch with Mr. Johnson's first

man. After we had finished eating, this man pulled up his chair, took a cigar out of his pocket and commenced to read his paper. As I reached for my hat, he enquired, "Where are you going?" "To the store," I said. "Don't you know," he replied, "that a man is entitled to an hour for his meals?" Nothing had been said to me about the length of the lunch period; from this remark I assumed that an hour for lunch was the custom of the store. Nevertheless I was anxious to get back—I did not smoke and my heart was in my new work. In fact I was so happy to have an opportunity that I would have been willing to go without lunch for that matter.

Evidently Mr. Johnson saw that I was taking much more interest in the work than the man I have mentioned, for after I had been at Evanston awhile he let him go and gave me the position as first man. During Mr. Johnson's absences on buying trips, when the responsibility of running the store fell upon my shoulders, more than once after going home and retiring I found myself unable to sleep until I had gotten up from my bed and gone back to the store to make sure that the fires were out, doors securely locked, and everything made safe for the night.

Shortly after going to Evanston I married. I was fortunate in getting a wife who was tremendously interested in my success. On busy days it was not uncommon for her to bring my lunch to me at the store, and she helped me in many ways.

When in the fall of 1901 I was told that a new store was to be opened in the spring of 1902, and that I was to have a one-third partnership interest, it is difficult to express my feelings. When I went to Evanston I did not dream that in three years time I would be selected from the men that had worked there during that period to open up a new store. Could I have foreseen that in the space of three years I would have the management of one of Johnson and Callahan's stores at a salary of \$150 a month I would have been very happy, though not satisfied always to work for a salary, (for I was determined some day to be in business for myself—if only a peanut stand).

The capital stock of the new store was to be \$6,000. My partners were willing to loan me \$1,500 which, together with \$500 which my wife and I had saved, would make up my one-third share of the stock investment.

Giving me the opportunity to share in the ownership of the store fired my soul with an ambition that I cannot describe. It was then that I got the vision



of a chain of stores under partner-ownership. Placing the responsibility of running a store upon my shoulders and giving me a financial interest in it, had developed me as nothing else could have done. I felt that the same plan, developed and expanded, would have the same stimulating effect upon other men that it had had upon me. From that time on throughout all of these years we have been giving men an opportunity to share in the growth and development of our business.

Our store in Kemmerer, Wyoming, a town of one thousand people, was a very modest affair. At first my wife and I had our living quarters in the half story over the store. The rafters showed, we had no carpets, a dry goods box served as our table, and shoe cases for our chairs. The last year that we were in Evanston a little boy—our first born—had come to bless our home. Many times he was put to sleep in an improvised bed while his mother helped me in the store. The first year's sales were around \$29,000.

The following year, I was given the opportunity of buying a one-third interest in another of Johnson and Callahan's Stores—one that had not been successful. I was very happy to take over this store and supervise the management.

The third year I opened another store which I ran with a hired manager. These were what I called my "try out" stores. I wanted to give men a trial before making the partnership arrangement with them.

In the spring of 1909, I gave up the personal management of the Kemmerer store and moved to Salt Lake City, where I established an office which served as headquarters for all the stores that I was then opening. For the next few years our development was slow. In 1913 we moved our headquarters to New York. From then on our expansion has been rapid.

In the early days I never dreamed that we would ever have anywhere near fifteen hundred stores. At one time I thought we might have twenty-five. When we had twenty-five stores I thought some time we might have fifty. Today our stores are located in every state of the Union, and in 1933—a depression year—our business was upward of one hundred and seventy-eight million dollars.

In former years, when personally I selected the men who were to be our store managers, after I had satisfied myself as to their character and qualifications, I inquired as to the nature of the man's home life—whether it was happy and harmonious and

whether his wife had his interests at heart, would stand at his side and help him to attain his ambitions. If I believed that the woman would not measure up I did not employ the man. If I found that his wife was a true helpmeet, other things being equal, I felt that he would succeed, for a good woman's power to encourage is well nigh unlimited.

In 1910 the mother of my two older boys died after an illness of brief duration. So sudden and severe was the shock that it came near overwhelming me. My third critical crossroads lay before me.

Although I never drank liquor, even in moderate degree, for some reason I was assailed by an intense desire to drink—perhaps with the unconscious thought of drowning my sorrow. Instinctively I knew that I must not yield one iota—that if ever that desire got one foot within the door it would come in bodily and I would go down to utter defeat. The desire was persistent and terrible, lasting not only through weeks and months, but even years. Many a night have I walked the streets battling with this temptation and the darkness that had settled upon me. It was the most difficult time of my life.

But the memory of my father's faith in me—his words, "Jim will make it. I like the way he has started out"—again and again came to my rescue. Many times my fate hung upon a slender thread, but the influence of my godly parents kept me. The experience changed my viewpoint as concerns the things that matter and those that are non-essential. It enlarged my vision and increased my interest in my fellowman. Life took on a different aspect. I had always been interested in seeing that our men had their opportunity. But it was largely because I, too, was being benefitted by their success. I was anxious to make money and set my goal at a high figure.

But now my interest was no longer a matter of dollars and cents. It was, instead, an interest in the welfare and advancement of our men in order that they might take their rightful places in society. I realized that money, necessary as it is, should be merely a means to a worthy aim—and not the end in itself. Up to this time I had been in poor health, but along with my change of thought—the result of a spiritual awakening—a stronger body began to develop.

Were anyone to ask me "What one factor do you consider has contributed more than any other to the rapid growth of your organization?" I would reply

that unquestionably it has been the emphasis we have laid upon human relationships, toward the public on the one hand by careful service and in giving the utmost in values; and toward our associates on the other hand. (We do not call them employees, we call them "associates.")

From the days of the first store to the present time managers of J. C. Penney Company stores have shared in the profits. Were I to commence again, in the light of past experience, giving men opportunity to share in what they help to create would remain one of my cardinal principles. It is the thing that has built our organization.

I have dwelt at some length upon our relationship to our associates. We hear more about the duty of an employer toward an employee; the obligation of an employee is equally binding and should be regarded seriously.

It is superfluous to say that an employer expects an employee to be honest in word and in action, but there is a finer honesty that will not allow an employee to give less than his or her best, the kind of honesty that makes him count not his hours but his duties and responsibilities; the kind of honesty that constantly urges him to increase his information and efficiency.

When an employee so associates himself with his employer's interests as to become one with them, when he makes them so much a part of himself that he feels them to be his own, then will the salary check, necessary though it is, be merely an incident in, rather than the object of the service. That kind of service is invaluable in which the employee gives not merely his time, but uses all the faculties and powers at his command. Such an employee guards his employer's interests with all the zeal in his power and devotes to them not only the active hours of his service but the same loyalty and earnestness that he would give were they actually his own affairs. He will be constantly thinking about new and better methods of doing the job and considering how he can improve his service.

Unfortunately many employees are time servers, giving no more of their time and interest than necessity demands. Such employees lack understanding of the vital principle which holds as true in business as in the spiritual realm, that a man must "lose his life in order to save it;" in other words, that he must forget himself in service. They are the sort that complain that they do not get the "breaks."

My friends, true success—deserved success—real growth—never comes as the result of chance or "luck." The future is for a man who sets a high standard today and a higher one tomorrow and then unrelentingly holds himself to that standard. No man can hope to find in another standards higher than he holds steadfast for himself.

My advice to the young man of today is daily to build higher your personal standards—as high standards as it is possible to establish. Then hold to them grimly.

Sometimes one hears an expression of doubt as to the wisdom of the sudden accession of leisure to the many through the recent curtailment of working hours. No matter how much we may believe otherwise, man's chiefest joy is in creative work. When denied the self-expression of constructive effort men are unhappy. (I am speaking now of red-blooded, manly men, who have ambition to accomplish something worthwhile in the world—not of spineless ne'er-do-wells.)

Men may chafe under the demands of strenuous business, and look forward to the time when they have made sufficient money to retire. When that time comes their new-found leisure amuses them for awhile, but it is a well-known fact that men who retire after an active business career, rarely live many years.

The law of struggle is the essence of all life—animal, vegetable and human. Struggle marks our progress from birth to death. When we cease to struggle dry rot sets in. Please understand that I am in no way criticising the administration program. The President is entitled to our full support. A certain amount of leisure for recreational purposes is desirable, but some are asking whether too much leisure is good for the young man just commencing in life—full of youthful vigor and ambition. Many a man owes his success to his capacity and his zest for work in his early days. The young man who counts not his hours but his opportunities is the one who climbs the difficult road to success—not he who spends his time in pool room or at the country club. Who can say that it is good for him to be curbed in the matter of working hours—he who has more ambition than his fellows, he who used to go back to work nights not because he was asked to do so, but because of his interest in the job? Now that his working hours are curtailed will his ambition not be curbed and he become less keen and less interested?

These and kindred questions are revolving in the



minds of those who have youth's interests at heart—those who realize the part that unremitting effort has played in their own progress and who take pleasure in seeing mankind push on to greater achievement. The answer to these questions lies largely in the use that is made of the added leisure. To those who are ambitious and studiously inclined it will be a great boon, giving them time for additional education and self-improvement which will enable them to do a better job in whatever vocation they may be engaged.

As a parting thought I want to say to all—though especially to the young man or woman—that this quotation which I am leaving with you is absolutely true: "The possibilities before you are measured by the determination within you." Many a man and woman, handicapped, but with unbounded powers of determination, in spite of all difficulties, has carved for himself or herself a life rich in human accomplishment.